

FISCAL NOTE

HB 1151 - SB 1459

March 21, 2003

SUMMARY OF BILL: Eliminates the requirement that businesses add back to the excise tax base the extra depreciation allowed under the accelerated federal schedule.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Not Significant

Decrease State Revenues - \$50,000,000 FY03-04

Estimate assumes:

- Recoupling the depreciation expense deduction with the federal accelerated depreciation will not cause the state to lose revenue over the long run. However, it will cause the state to lose revenue over the short run since the excise tax deductions will occur more rapidly.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director